TEACHER RESOURCE · WORKSHEET

# Life-Stage Insurance Concepts Worksheet

Short-answer practice connecting life stages to insurance concepts. Pairs with the site's Life-Stage Decision Maps tool.

Name: ________________________________________ Date: _______________

Before starting, explore the Life-Stage Decision Maps tool on the Plain Policies site. For each life stage below, answer the questions using what the site describes. There are no personal recommendations involved — you're describing general concepts, not choosing a product.

### 1. Moving into your first apartment

Which type of insurance covered on this site becomes newly relevant at this stage, and why?

### 2. Buying or leasing your first car

Name one factor the site says can affect auto insurance cost at this stage, and explain briefly why it might matter.

### 3. Getting married or combining households

Why might a couple's insurance needs or coverage choices change when they combine households?

### 4. Having a child

The site discusses beneficiaries and the purpose of life insurance. Why might this life stage prompt someone to think about life insurance for the first time?

### 5. Buying a home

How does the concept of "replacement cost" versus "actual cash value," as described on the site, become more important at this stage?

### 6. Approaching retirement

Why might someone's life insurance needs change as they near retirement, based on general concepts the site describes (not personal advice)?

# ANSWER KEY

Life-Stage Insurance Concepts Worksheet — Sample Responses

These are sample responses illustrating the kind of general reasoning expected. Student answers will vary in wording — look for understanding of the underlying concept rather than an exact match.

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### 1. Moving into your first apartment

*Renters insurance becomes newly relevant, because a landlord's policy typically covers the building itself, not a tenant's personal belongings or liability.*

### 2. Buying or leasing your first car

*Factors like driving history or location can affect cost because they relate to the statistical likelihood and cost of a claim, which is central to how insurers price risk.*

### 3. Getting married or combining households

*Combining households can change what property and liability exposure exists in one home, and may prompt a review of coverage limits or who is listed on a policy.*

### 4. Having a child

*Having a child often introduces a dependent who would be financially affected by a loss of income, which is a common reason people first consider life insurance and naming a beneficiary.*

### 5. Buying a home

*Replacement cost vs. actual cash value matters more for a home because rebuilding or repairing a house after a covered loss can be far more expensive than an item's depreciated value would cover.*

### 6. Approaching retirement

*As dependents become financially independent or a mortgage is paid down, the financial need that life insurance was originally intended to cover may change, which is why needs are often reassessed at this stage.*